Metinvest Digital implements SAP at Metinvest-Shipping

Despite the instability faced in 2022, Metinvest Digital, the IT centre of expertise of Metinvest Group, has implemented SAP at Metinvest-Shipping, a freight forwarding company within the Group. Metinvest now has one of the largest and most sophisticated SAP landscapes in Ukraine and in Central and Eastern Europe more widely.

SAP has been implemented to ensure the most convenient available platform integrating Metinvest-Shipping's business processes with the assets using its services into a unified SAP landscape. The aim of the project is to create an end-to-end chain of automation and control of logistics services for the Group. Today, some 16 Metinvest Group enterprises maintain records using SAP.

How was the project implemented?

Metinvest Digital has corporate templates that could have been adapted and quickly implemented at Metinvest-Shipping. However, this company is different from Metinvest enterprises that produce metal or ore. Therefore, experts have developed a unique solution for this Metinvest Group logistics asset.

Metinvest-Shipping is a company with a wide portfolio of services. It handles rail and road transportation, provides sea and river agent services, and brokerage and inspection services. The company's business model is to provide both in-house and leased fleet services, as well as procuring logistics services from the market on behalf of its customers.

An additional challenge was to integrate the associated tender platform for the procurement of road services and to propose a data integration solution for the information dispatch software package used by Metinvest's production assets.

It proved impossible to apply either a template or an off-the-shelf solution for such services. The developers needed much more time to study similar design processes solutions in the industry, as initially no similar project with such complexity existed on the market.

Of the total scope of the project, about half of the solutions were corporate ones, while the rest were either comprehensively adapted to Metinvest-Shipping's needs and specifics or were developed from scratch.

How has the project been affected by the war?

The main challenge for the experts from Metinvest Digital was to build a unique system to accommodate a wide range of services and a developed business model that would allow them to manage their owned and leased vehicles for logistics services, provide the buying and selling services of Metinvest Shipping in Ukraine and abroad, and deliver services to their divisions.

Before the war, there were around 100 people working on the project. Around two-thirds of them were Metinvest Digital employees and the rest were outsourced workers. After the beginning of the full-scale war, the

company severed all relations with Russian and Belarusian contractors. In addition, Metinvest Digital ended the services of Ukrainian outside contractors and reallocated resources among its own employees to optimise the financial burden. These resources were less than what was required, but the company's experts managed to take on the work of the contractors, completely re-plan the project and complete all the work using internal resources.

Also, the development work and integration testing by Metinvest Digital and Metinvest Shipping at were complicated by active hostilities in the cities where the Group has operations and power and Internet outages.

What's next?

The Metinvest Digital developers have created an up-to-date and fully harmonised data accounting system for Metinvest-Shipping for corporate reporting. The project has also created a base for further development, including integration with the consumers of services as well as financial services for buyers from the Group's foreign assets.

The company plans to refine the solution over time. First, it plans to automate the process of purchasing services by any Metinvest Group entity from Metinvest-Shipping.

Second, it aims to create an automated workstation (AWP) for the forwarder, allowing them to work in both Ukrainian and foreign ports. Unfortunately, the war has changed the logistics chains of Metinvest-Shipping. However, as Metinvest Digital developed the solution from scratch, it already knows how to integrate it into the accounting systems of foreign enterprises.

Metinvest Digital has taken on additional training and support services during the war to help its customers. The company's experts were also involved in the development of new business processes and coordination of the new system with other assets and their terms of cooperation with Metinvest-Shipping.

Metinvest Digital

is a Ukrainian IT company that specialises in the digital transformation of large businesses and implementing projects in Ukraine, Europe and North America. The company develops, implements and supports complex IT solutions, including technological infrastructure, information systems development, strategic outsourcing, data migration, systems integration, cybersecurity and information security. Metinvest Digital is the IT business partner of Metinvest Group, serving more than 30 Metinvest enterprises worldwide. The company is a certified partner of Microsoft (Gold Certified Partner) and SAP (Silver Partner).